SENATE BILL NO. 113–SENATORS GOICOECHEA, TITUS, BUCK, HANSEN, STONE; AND KRASNER (BY REQUEST)

### FEBRUARY 8, 2023

### Referred to Committee on Natural Resources

SUMMARY—Revises provisions relating to groundwater management plans. (BDR 48-595)

FISCAL NOTE: Effect on Local Government: No. Effect on the State: No.

EXPLANATION - Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

# AN ACT relating to water; revising provisions relating to groundwater management plans; and providing other matters properly relating thereto.

#### Legislative Counsel's Digest:

Under existing law, the State Engineer: (1) may designate certain basins as 1 234567 critical management areas; and (2) is required to designate a basin as a critical management area upon receipt of a petition signed by a majority of the holders of certificates or permits to appropriate water in the basin. (NRS 534.110) Existing law further provides that in a basin that has been designated as a critical management area, a petition for the approval of a groundwater management plan may be submitted to the State Engineer by a majority of the holders of permits or 8 certificates to appropriate water in the basin. (NRS 534.037) Section 1 of this bill 9 provides that such a petition must instead be signed by: (1) the holders of permits or 10 certificates to appropriate water in the basin that are on file in the Office of the 11 State Engineer who represent a majority of the total groundwater committed for use 12 13 in the basin; and (2) the holders of permits or certificates to appropriate water in the basin that are on file in the Office of the State Engineer who represent a majority of 14 groundwater committed in the basin with dates of priority that are older than the 15 date on which appropriations for withdrawals of groundwater in the basin were 16 equal to the perennial yield of the basin. Section 1 also provides that the holder of a 17 permit or certificate with such a date of priority who does not sign the petition may 18 not be required to comply with an approved groundwater management plan.

Under existing law, the State Engineer is required to restrict withdrawals of groundwater to conform to priority rights under certain circumstances, including if a basin has been designated as a critical management area for at least 10 consecutive years. (NRS 534.110) Section 1 requires the State Engineer to review an approved groundwater management plan that has been in effect for 10 consecutive years to determine whether there has been significant progress towards stabilizing the drawdown of groundwater in the basin and, if not, with certain





exceptions, to restrict withdrawals of groundwater to conform to priority rights.
Section 2 of this bill makes a conforming change to create an exception for the restriction of withdrawals to allow a domestic well to continue to withdraw 0.5 acre-feet of water per year if the owner of the domestic well installs or has installed a water meter to record the withdrawal.

Section 3 of this bill requires that, beginning on October 1, 2033, 10 years after the effective date of this bill, the State Engineer must review any groundwater management plan that was approved before October 1, 2023, to determine whether there has been significant progress towards stabilizing the drawdown of groundwater in the basin and, if not, to restrict withdrawals in accordance with the requirements of this bill.

## THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** NRS 534.037 is hereby amended to read as follows: 534.037 1. In a basin that has been designated as a critical management area by the State Engineer pursuant to subsection 7 of NRS 534.110, a petition for the approval of a groundwater management plan for the basin may be submitted to the State Engineer. The petition must [be]:

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(a) Be signed by [a majority of the]:

8 (1) *The* holders of permits or certificates to appropriate water 9 in the basin that are on file in the Office of the State Engineer *who* 10 *represent a majority of the total groundwater committed for use in* 11 *the basin;* and [must be]

12 (2) The holders of permits or certificates to appropriate 13 water in the basin that are on file in the Office of the State 14 Engineer who represent a majority of groundwater committed in 15 the basin with dates of priority that are older than the date on 16 which appropriations for withdrawals of groundwater in the basin 17 were equal to the perennial yield of the basin; and

18 (b) Be accompanied by a groundwater management plan which 19 must set forth the necessary steps for removal of the basin's 20 designation as a critical management area.

21 2. In determining whether to approve a groundwater
22 management plan submitted pursuant to subsection 1, the State
23 Engineer shall consider, without limitation:

24 (a) The hydrology of the basin;

25 (b) The physical characteristics of the basin;

(c) The geographic spacing and location of the withdrawals of
 groundwater in the basin;

28 (d) The quality of the water in the basin;

(e) The wells located in the basin, including, without limitation,domestic wells;



1 (f) Whether a groundwater management plan already exists for 2 the basin; and

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(g) Any other factor deemed relevant by the State Engineer.

4 approving Before disapproving 3. or а groundwater 5 management plan submitted pursuant to subsection 1, the State 6 Engineer shall hold a public hearing to take testimony on the plan in 7 the county where the basin lies or, if the basin lies in more than one 8 county, within the county where the major portion of the basin lies. 9 The State Engineer shall cause notice of the hearing to be:

10 (a) Given once each week for 2 consecutive weeks before the 11 hearing in a newspaper of general circulation in the county or 12 counties in which the basin lies.

(b) Posted on the Internet website of the State Engineer for atleast 2 consecutive weeks immediately preceding the date of thehearing.

16 4. The decision of the State Engineer on a groundwater 17 management plan may be reviewed by the district court of the 18 county pursuant to NRS 533.450.

5. An amendment to a groundwater management plan must be proposed and approved in the same manner as an original groundwater management plan is proposed and approved pursuant to this section.

23 The State Engineer shall not require the holder of a permit **6**. 24 or certificate in the basin with a date of priority that is older than 25 the date on which appropriations for withdrawals of groundwater 26 in the basin were equal to the perennial yield of the basin who 27 does not sign the petition submitted pursuant to subsection 1 to 28 comply with the provisions of a groundwater management plan 29 that is approved pursuant to this section, but the holder of such a 30 permit or certificate may notify the State Engineer in writing that he or she intends to comply with the approved groundwater 31 32 management plan at any time after the groundwater management 33 plan has been approved.

34 If a groundwater management plan approved pursuant to 7. 35 this section has been in effect for 10 consecutive years, the State Engineer shall review the results of the groundwater management 36 37 plan to determine whether there has been significant progress towards stabilizing the drawdown of groundwater in the basin, as 38 determined by the State Engineer. If the State Engineer 39 determines there has not been significant progress, the State 40 Engineer shall, except as otherwise provided in subsection 9 of 41 42 NRS 534.110, order:

43 (a) The groundwater management plan dissolved; and





1 (b) That withdrawals, including. without limitation, 2 withdrawals from domestic wells, be restricted in that basin to 3 conform to priority rights. 4

**Sec. 2.** NRS 534.110 is hereby amended to read as follows:

5 534.110 1. The State Engineer shall administer this chapter 6 and shall prescribe all necessary regulations within the terms of this 7 chapter for its administration.

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2. The State Engineer may:

(a) Require periodical statements of water elevations, water 9 used, and acreage on which water was used from all holders of 10 permits and claimants of vested rights. 11

12 (b) Upon his or her own initiation, conduct pumping tests to 13 determine if overpumping is indicated, to determine the specific 14 yield of the aquifers and to determine permeability characteristics.

The State Engineer shall determine whether there is 15 3. 16 unappropriated water in the area affected and may issue permits 17 only if the determination is affirmative. The State Engineer may require each applicant to whom a permit is issued for a well: 18

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(a) For municipal, quasi-municipal or industrial use; and

(b) Whose reasonably expected rate of diversion is one-half 20 21 cubic foot per second or more,

22 → to report periodically to the State Engineer concerning the effect 23 of that well on other previously existing wells that are located within 24 2.500 feet of the well.

25 4. It is a condition of each appropriation of groundwater 26 acquired under this chapter that the right of the appropriator relates 27 to a specific quantity of water and that the right must allow for a 28 reasonable lowering of the static water level at the appropriator's 29 point of diversion. In determining a reasonable lowering of the static 30 water level in a particular area, the State Engineer shall consider the 31 economics of pumping water for the general type of crops growing 32 and may also consider the effect of using water on the economy of 33 the area in general.

34 This section does not prevent the granting of permits to 5. 35 applicants later in time on the ground that the diversions under the proposed later appropriations may cause the water level to be 36 37 lowered at the point of diversion of a prior appropriator, so long as 38 any protectable interests in existing domestic wells as set forth in NRS 533.024 and the rights of holders of existing appropriations 39 40 can be satisfied under such express conditions. At the time a permit 41 is granted for a well:

42 (a) For municipal, quasi-municipal or industrial use; and





1 (b) Whose reasonably expected rate of diversion is one-half 2 cubic foot per second or more,

3  $\rightarrow$  the State Engineer shall include as a condition of the permit that 4 pumping water pursuant to the permit may be limited or prohibited 5 to prevent any unreasonable adverse effects on an existing domestic 6 well located within 2,500 feet of the well, unless the holder of the 7 permit and the owner of the domestic well have agreed to alternative 8 measures that mitigate those adverse effects.

9 Except as otherwise provided in subsection 7, the State 6. Engineer shall conduct investigations in any basin or portion thereof 10 where it appears that the average annual replenishment to the 11 12 groundwater supply may not be adequate for the needs of all 13 permittees and all vested-right claimants, and if the findings of the 14 State Engineer so indicate, except as otherwise provided in subsection 9, the State Engineer may order that withdrawals, 15 16 including, without limitation, withdrawals from domestic wells, be 17 restricted to conform to priority rights.

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7. The State Engineer:

(a) May designate as a critical management area any basin in
which withdrawals of groundwater consistently exceed the perennial
yield of the basin.

(b) Shall designate as a critical management area any basin in which withdrawals of groundwater consistently exceed the perennial yield of the basin upon receipt of a petition for such a designation which is signed by a majority of the holders of certificates or permits to appropriate water in the basin that are on file in the Office of the State Engineer.

28 → The designation of a basin as a critical management area pursuant 29 to this subsection may be appealed pursuant to NRS 533.450. If a 30 basin has been designated as a critical management area for at least 31 10 consecutive years, except as otherwise provided in subsection 9, 32 the State Engineer shall order that withdrawals, including, without 33 limitation, withdrawals from domestic wells, be restricted in that 34 basin to conform to priority rights, unless a groundwater 35 management plan has been approved for the basin pursuant to 36 NRS 534.037.

8. In any basin or portion thereof in the State designated by the State Engineer, the State Engineer may restrict drilling of wells in any portion thereof if the State Engineer determines that additional wells would cause an undue interference with existing wells. Any order or decision of the State Engineer so restricting drilling of such wells may be reviewed by the district court of the county pursuant to NRS 533.450.

44 9. If a court of competent jurisdiction orders the State Engineer45 to restrict withdrawals to conform to priority rights or if pursuant to





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subsection 6 or 7 or subsection 7 of NRS 534.037 the State
 Engineer orders that withdrawals be restricted to conform to priority
 rights, the State Engineer must limit the restriction of withdrawals
 from a domestic well to allow a domestic well to continue to
 withdraw 0.5 acre-feet of water per year, which must be recorded by
 a water meter.

Sec. 3. 1. Except as otherwise provided in subsection 2, the
amendatory provisions of section 1 of this act do not apply to a
groundwater management plan approved before October 1, 2023.

Beginning on October 1, 2033, the State Engineer shall 10 2. 11 review any groundwater management plan approved before October 1, 2023, to determine whether there has been significant 12 13 progress towards stabilizing the drawdown of groundwater in the basin, as determined by the State Engineer. If the State Engineer 14 determines there has not been significant progress, the State 15 Engineer shall, except as otherwise provided in subsection 9 of NRS 16 17 534.110, as amended by section 2 of this act, order:

18 (a) The groundwater management plan dissolved; and

19 (b) That withdrawals, including, without limitation, withdrawals 20 from domestic wells, be restricted in that basin to conform to 21 priority rights.

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